

DATE: August 9, 2007

TO: CVRC Board Directors

VIA: David R. García, Chief Executive Officer *DRG*
Scott Tulloch, Assistant City Manager *ST*

FROM: Ann Hix, Acting Community Development Director *AH*

SUBJECT: PUBLIC HEARING TO CONSIDER AN EXTENSION OF SPECIAL USE PERMIT
SUPO-07-01 FOR THE CONTINUATION OF AN AUTO DISMANTLING
AND RECYCLING BUSINESS AT 850 ENERGY WAY

Project Area:	Merged Chula Vista Redevelopment Project Area
Agreement:	None
Developer/Applicant:	Ecology Auto Parts, Inc.
Project Site:	850 Energy Way
Project Type:	Conditional (Special) Use Permit
Project Description:	<p>The applicant, Ecology Auto Parts, Inc., has submitted an application for the extension to March 31, 2020 of an existing Special Use Permit for the continued operation of an auto dismantling and recycling business at 850 Energy Way.</p> <p>The proposed permit extension is for the existing business and does not include changes or expansions to the current operations.</p>

BACKGROUND

The applicant, Ecology Auto Parts, Inc., has submitted an application for the extension to March 31, 2020 of an existing Special Use Permit for the continued operation of an auto dismantling and recycling business at 850 Energy Way.

The proposed extension to the Special Use Permit (SUP) is to allow the continued operation of an existing automobile dismantling and recycling facility located at 850 Energy Way, currently doing business as Ecology Auto Parts, Inc. The existing SUP will expire on March 8, 2008. The applicant is requesting an extension to their existing SUP from March 8, 2008 until March 31, 2020. No other operational changes or additional physical construction activities are proposed at this time.

The proposed permit extension is for the existing business and does not include changes or expansions to the current operations.

ENVIRONMENTAL DETERMINATION

The proposed application has been reviewed for compliance with the California Environmental Quality Act (CEQA), and it has been determined that it qualifies for a Class 1 categorical exemption pursuant to Section 15301 (Existing Facilities) of the State CEQA Guidelines because the proposed permit extension includes no changes or expansion to the existing operation. Thus, no further environmental review is necessary.

RECOMMENDATION

Staff recommends that the Chula Vista Redevelopment Corporation adopt a resolution approving the extension of the Special Use Permit SUPO-07-01 to March 31, 2020 for the continuation of the auto dismantling and recycling business at 850 Energy Way, subject to the list of conditions in the CVRC Resolution (attached).

BOARDS/COMMISSIONS RECOMMENDATIONS

None applicable.

DECISION MAKER CONFLICTS

Staff has reviewed the property holdings of the CVRC Board and City Council members and has found no property holdings within 500 feet of the boundaries of the property which is the subject of this action.

DISCUSSION

Permit Description and Background

The proposed extension of the Special Use Permit (SUP) is to allow the continued operation of an existing automobile dismantling and recycling facility located at 850 Energy Way, currently doing business as Ecology Auto Parts, Inc. The existing SUP will expire on March 8, 2008. The applicant is requesting an extension to their existing SUP from March 8, 2008 until March 31, 2020. No other operational changes or additional physical construction activities are proposed at this time.

The existing use on the site originated pursuant to Conditional Use Permit # PCC -73-27, which was originally issued on December 12, 1973. The permit was subsequently extended, on December 8, 1992, for a period of 13 years until 2005 by the Redevelopment Agency, pursuant to a Settlement Agreement between the City Council, Redevelopment Agency and the applicant relating to the formation of an assessment district for the widening of Otay Valley Road. (Note: Due to the establishment of an interim tolling ordinance related to outdoor storage uses in 2001 (Council Ordinance No. 2836-A) and its subsequent expiration, the Agency granted an automatic extension of the permit for a period of 2 years and three months, putting the effective expiration date for this permit to March 8, 2008).

Under the terms of the Settlement Agreement, the City of Chula Vista was to issue a SUP conditioned only by code-required off street parking; landscape planting and irrigation; and fencing and other appropriate comparable cost screening measures to ameliorate adverse visual impacts. The Agreement further states that the applicant is not required to deviate substantially from the plans previously submitted, reviewed, and recommended for approval. The Settlement Agreement contemplates (but does not require) the possible continuation of this use on the property until December 31, 2017. If a permit extension is denied by the City during this period, the applicant would have the right to rescind the agreement and recommence the original litigation. The applicant's only remedy would be to void their obligation to pay any remaining assessments for their share of road improvements.

Site and Surrounding Land Use Designations

	<u>General Plan Designation</u>	<u>Zoning Designation</u>	<u>Existing Uses</u>
Site	Limited Industrial (IL)	General Industrial Precise Plan (IP)	Auto dismantling and recycling
North	Limited Industrial (IL)	General Industrial	Auto dismantling and

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		Precise Plan (IP)	recycling/open storage uses
East	Limited Industrial (IL)	General Industrial Precise Plan (IP)	Auto dismantling and recycling
South	Limited Industrial (IL)	General Industrial Precise Plan (IP)	Vacant Land
West	Limited Industrial (IL)	General Industrial Precise Plan (IP)	Auto dismantling and recycling

Analysis

Extension of the permit for Ecology Auto Parts, Inc. involves consideration of several elements that serve as a basis to determine whether the extension should be granted. Among those elements are the following: the benefits of automobile dismantling and the recycling of auto parts; the physical conditions in which the site is maintained by the operator; compliance with conditions of approval of existing permits; and the extent to which the auto recycling sites may be developed with higher and better industrial uses. It should be noted that in 2001 this criteria was applied to another separate permit extension for similar auto dismantling and recycling operations conducted by Ecology Auto Parts, Inc. at their other properties located at 800-834 and 825 Energy Way. A permit extension for those facilities was granted until the year 2017 (with an automatic extension of the permit until the year 2020 due to the interim tolling ordinance on open storage uses). Following is a brief discussion of each of these elements.

The benefits of auto recycling of end life vehicles (ELVs) are typically realized in cost savings in recycled parts, parts availability, reduction in abandoned vehicles, raw material supply, and reduced insurance rates via reducing costs of repairs and providing a market for totaled vehicles. In addition, Ecology Auto Parts, Inc. is an approved location as an authorized State of California and City of Chula Vista oil-recycling center, which provides an added benefit to the community independent of the sale of used auto parts. The administration of the "Old Vehicle Buy Back program" for the County of San Diego/Air Pollution Control District occurs here.

Review by City staff of the proposed application for the subject permit extension, as well as an inspection of the site by Code Enforcement and the Fire Department, indicates this operation sets the standard locally for this use for storm water filtration, fire suppression measures, as well as hazardous waste extraction, and storage and handling of vehicles. In addition, Ecology Auto Parts, Inc. has complied with the Redevelopment Agency

conditions of the 1992 permit in terms of maintaining designated off-site parking, fencing and landscaping along the property's frontage.

As an extension of an existing permit that has a history of over 30 years, the use is and has been supported by the Chula Vista General Plan and the former Otay Valley Road Redevelopment Plan. Currently, the City's Zoning Ordinance allows automobile dismantling and recycling uses through the issuance of a conditional use permit. This acknowledges that auto recycling is a necessary and beneficial land use for a region. As discussed above, the existing Settlement Agreement relating to uses on this property contemplates (but does not require) possible continued auto wrecking uses on this site until at least December 31, 2017.

At the same time, auto recycling uses have been identified as contributing to blighting conditions in the Otay Valley Road Redevelopment Project Area because of the storage and dismantling of inoperative vehicles on large tracts of industrial land. It has been anticipated that these uses would eventually be phased out and that these sites could be used for higher and better industrial uses in the long term, as the economic dynamics of the city and region change.

In 2002, Keyser Marston Associates (KMA), Inc. completed a feasibility study for the redevelopment of auto recycling land uses along Energy Way. The report concluded that there is a current surplus of available industrial lands that did not warrant the immediate conversion of the Energy Way lands for industrial park uses. The report also recognized that the auto recycling industry is a necessary land use. The report recommended that the auto recycling uses be phased out over several years in coordination with the remaining lifespan of the adjacent Otay Landfill (2024). At that time the study found that there was an ample supply of industrial lands that could be absorbed during this transition period and that the relocation of the recyclers, the remediation of the properties, and marketing of the Energy Way area would require a transition period. However, since the publication of the KMA report there has been a reduction in the overall supply of industrially zoned land through both absorption and land use revisions, both in the City and the south bay region. Further, there are several proposed reductions to industrially zoned land in the region that would significantly alter the availability of industrial land. Because of these recent and proposed changes, City staff will soon conduct an updated analysis to examine the supply and demand of industrial land, as well as the demand for auto recycling uses in the Chula Vista community.

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Conclusion

Based on the above analysis, staff believes that the requested permit extension is warranted for a period of 12 years, which is consistent with the potential timeframe contemplated by the Redevelopment Agency in 1992. As discussed above, the dismantling and recycling of automobile parts, as well as other related programs operated by the applicant, is a necessary land use within the community at this time; and Ecology Auto Parts, Inc. operation has been consistent with the conditions imposed by the Agency's 1992 extension. Therefore, staff recommends that the Chula Vista Redevelopment Corporation approve the extension of the permit to March 31, 2020, subject to the conditions listed in the resolution.

FISCAL IMPACT

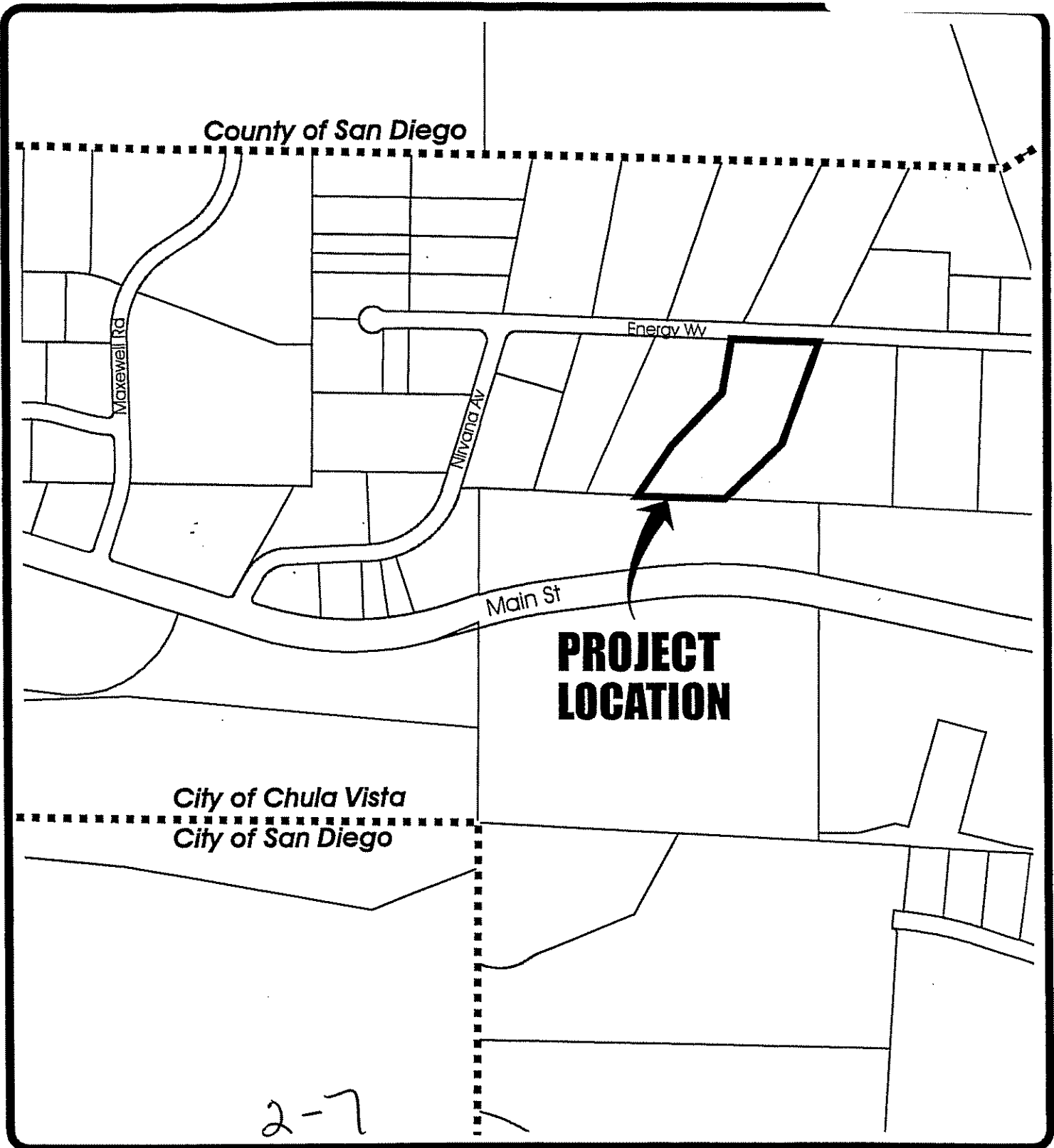
The extension causes no changes to revenues now realized by the City/Agency because no new operations, equipment or construction are proposed.

ATTACHMENTS

1. Locator Map
2. Photo Survey of Site's Frontage Landscape Area

PREPARED BY: Miguel Z. Tapia, Senior Community Development Specialist

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CHULA VISTA PLANNING AND BUILDING DEPARTMENT

LOCATOR



NORTH

PROJECT APPLICANT: Ecology Auto Parts, Inc.

PROJECT ADDRESS: 850 Energy Way

SCALE: No Scale

FILE NUMBER: SUPO-07-01

PROJECT DESCRIPTION:

SPECIAL USE PERMIT

Request: Extension to an existing conditional use permit to operate an auto recycling and dismantling facility.

Related cases: IS-07-024

**ECOLOGY AUTO PARTS
850 ENERGY WAY
CHULA VISTA, CALIFORNIA**

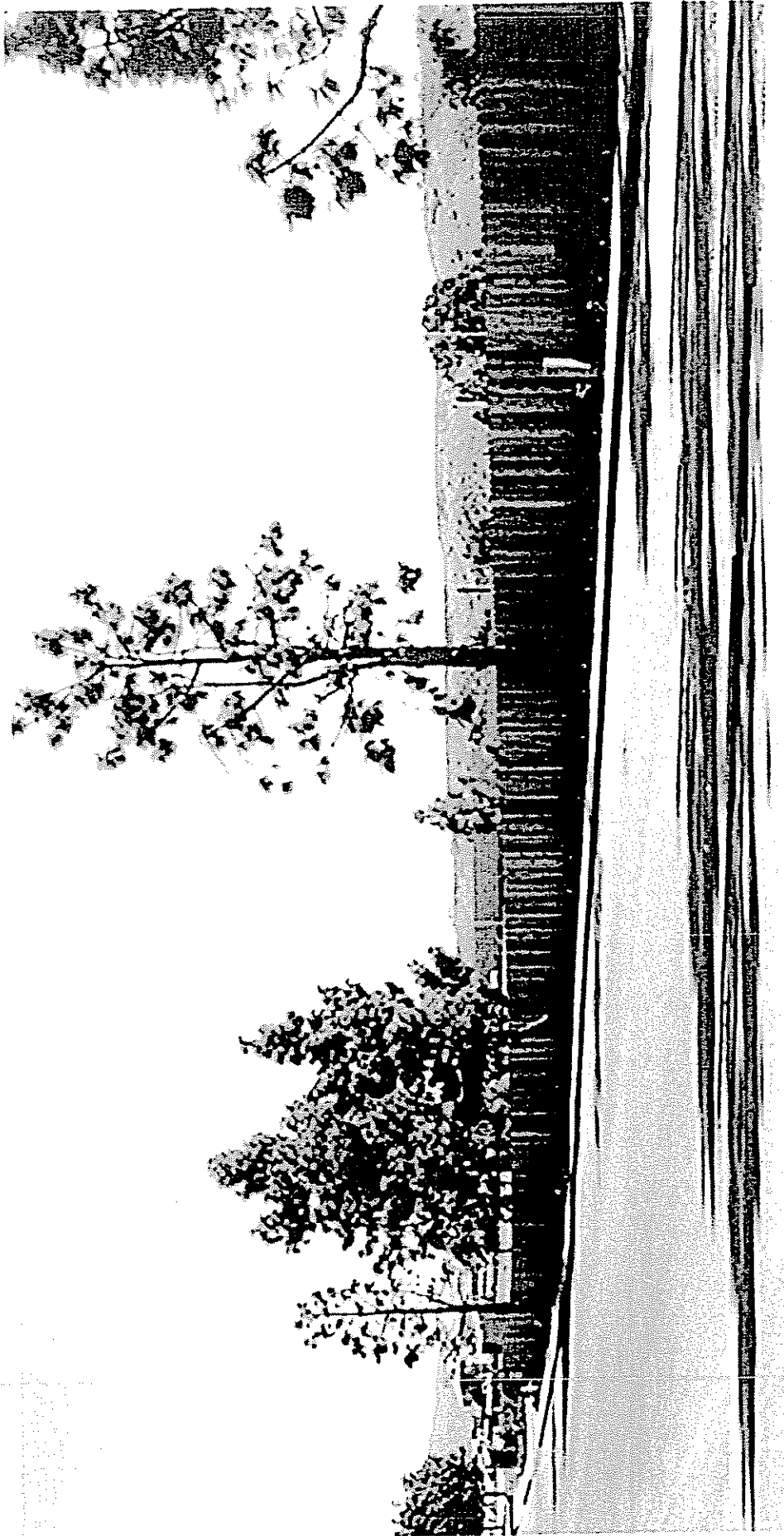
PHOTOGRAPHIC SURVEY

- * STREET SCENE**
- * STORM WATER BMP'S**

**SUBMITTED TO
CHULA VISTA COMMUNITY DEVELOPMENT**

**(SUPO – 07 – 01)
(IS – 07 – 024)**

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VIEW LOOKING SOUTHEAST

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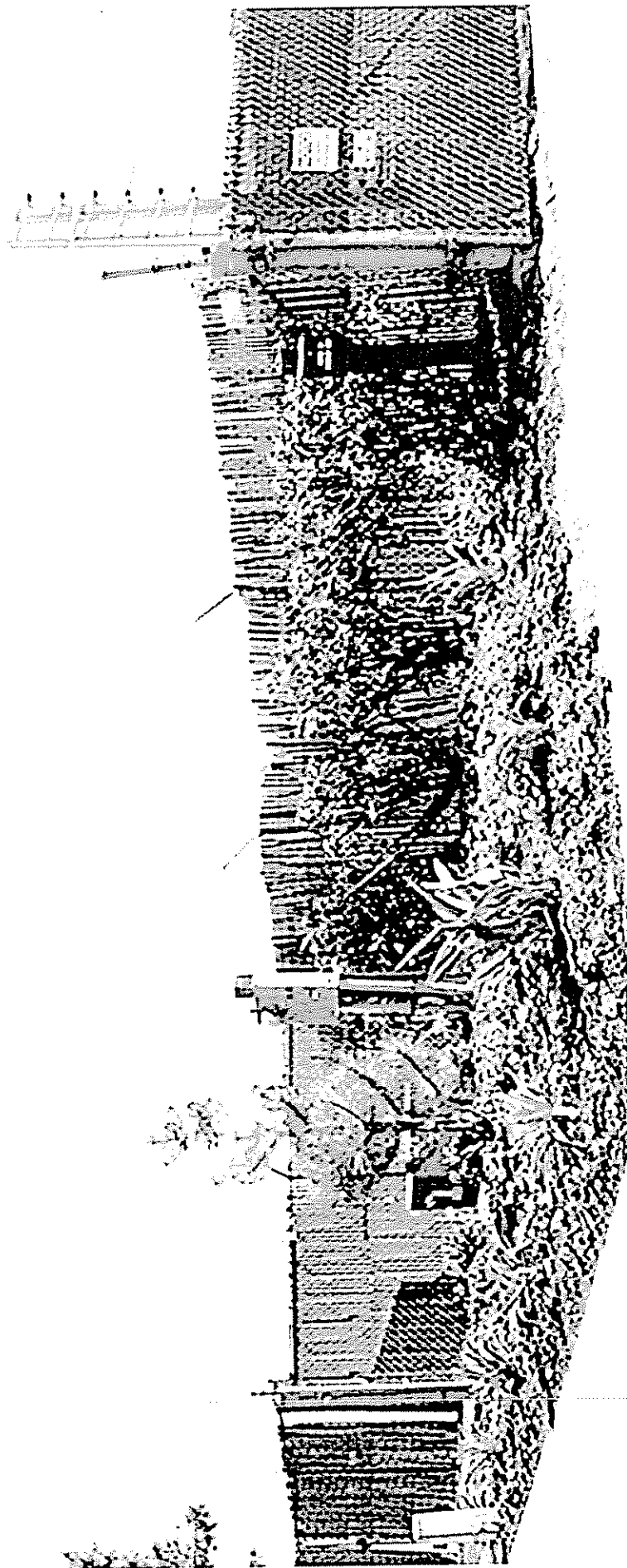
VIEW LOOKING SOUTHWEST

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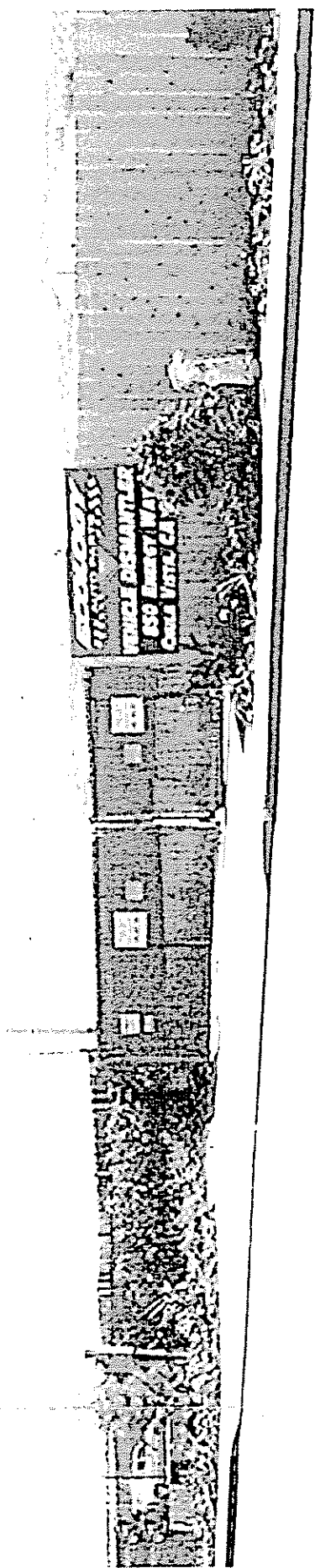
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STREET VIEW LOOKING EAST



VIEW LOOKING SOUTHEAST

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ENTRY VIEW LOOKING SOUTHEAST

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CVRC RESOLUTION NO. ____

**RESOLUTION OF THE CHULA VISTA REDEVELOPMENT
CORPORATION APPROVING THE EXTENSION OF THE SPECIAL
USE PERMIT SUPO-07-01 UNTIL MARCH 31, 2020 FOR
ECOLOGY AUTO PARTS, INC. LOCATED AT 850 ENERGY WAY**

WHEREAS, on February 14, 2007 the City of Chula Vista received an application from Ecology Auto Parts, Inc. ("Applicant") for an extension of an existing Special Use Permit, SUPO-07-01, until March 31, 2020 ("Project") for the site at 850 Energy Way, which is diagrammatically represented in Exhibit A and is incorporated into this resolution by this reference ("Project Site"); and

WHEREAS, Conditional Use Permit #PCC-73-27, effective date December 12, 1973 originally allowed the automotive recycling facilities located at 850 Energy Way; and

WHEREAS, the City of Chula Vista, the Redevelopment Agency of the City of Chula Vista, and the applicant entered into a Settlement Agreement relating to the Otay Valley Road widening on December 8, 1992, which resulted in the extension of the previously mentioned permit until December 8, 2005; and

WHEREAS, due to the establishment of a temporary tolling ordinance, the Special Use Permit was automatically extended for an additional period of two years and three months to March 8, 2008; and

WHEREAS, review of the project indicates that all conditions of the previously issued permit have been met; and

WHEREAS, the proposed project was reviewed for compliance with the California Environmental Quality Act (CEQA) and it was determined that the project qualifies for a Class 1 categorical exemption pursuant to Section 15301 (Existing Facilities) of the State CEQA Guidelines because the proposed permit extension is for an existing facility that contemplates no changes or expansion. Thus, no further environmental review is necessary; and

WHEREAS, a hearing time and place was set by the Chula Vista Redevelopment Corporation for consideration of the Project and notice of said hearing, together with its purpose, was given by its publication in a newspaper of general circulation in the city and its mailing to property owners within 500 feet of the exterior boundaries of the real property that is the subject of the hearing at least 10 days prior to the hearing; and,

WHEREAS, the Chula Vista Redevelopment Corporation held a duly noticed public hearing to consider said Application at the time and place as advertised, namely July 26, 2007 at 6:00 p.m., in the City Council Chambers, 276 Fourth Avenue, before the Chula Vista Redevelopment Corporation to consider public testimony, and said hearing was thereafter closed; and,

NOW THEREFORE BE IT RESOLVED that Special Use Permit SUPO-07-01 is hereby **APPROVED** with an expiration date of March 31, 2020 according to the following findings and subject to the conditions contained herein:

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FINDINGS

A. That the proposed use at the particular location is necessary or desirable to provide a service or facility which will contribute to the general well-being of the neighborhood or the community.

The proposed use at the particular location is necessary or desirable to provide a service or facility which contributes to the general well being of the neighborhood or the community in that the recycling of End Life Vehicles (ELVs) results in cost savings in recycled parts, energy conservation, parts availability, reduction in abandoned vehicles and land filling, raw material supply, and reduced insurance rates via reducing costs of repair and providing a market for totaled vehicles. Ecology Auto Wrecking also acts as an approved oil recycling center.

B. That such use will not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the vicinity, or injurious to property or improvements in the vicinity.

The use will not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the vicinity, or injurious to property or improvements in the vicinity since the land use is part of a larger complex of auto wrecking facilities, auto auctioneers, contractor's yard, construction material recycling, and the landfill. The use is considered an interim use and is regulated for safety and health concerns via local and state agencies. In addition, conditions of this permit require adequate offstreet parking, landscaping, and screening of potential visual effects.

C. That the proposed use will comply with the regulations and conditions specified in this title for such use.

The proposed use will comply with the regulations and conditions specified in the Municipal Code for such use in that the use is a conditionally permitted use by the Zoning Ordinance, and conditions have been attached that will make the use comply with the regulations of the Zoning Ordinance.

D. That the granting of this conditional use will not adversely affect the general plan of the city or the adopted plan of any governmental agency.

The granting of the special use permit extension will not adversely affect the General Plan of the City of Chula Vista or the adopted plan of any governmental Agency since the General Plan land use designation is "Industrial" and the Zoning Ordinance identifies auto dismantling and recycling as a conditional use.

CONDITIONS:

1. Required off street parking shall be maintained in a manner consistent with the Chula Vista Municipal Code.
2. Landscaping and irrigation shall be maintained in a manner consistent with the Landscape manual.

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3. Fencing and other appropriate comparable-cost screening measures to ameliorate adverse visual impacts shall be maintained.
4. Applicant shall continue to apply state of the art storage, safety, and conservation measures, including, without limitation, drainage improvements, fire suppression devices, and hazardous fluid collection. A list of such measures shall be prepared by the applicant and approved by the Chula Vista Redevelopment Corporation, to be attached hereto.
5. Applicant shall comply with any and all federal, state, and local laws and safety standards.
6. The applicant shall and does hereby agree to indemnify, protect, defend, and hold harmless City, its Council members, officers, employees, agents and representatives, from and against all liabilities, losses, damages, demands, claims, and costs, including court costs and attorney fees (collectively, liabilities) incurred by the City arising, directly or indirectly, from a) City's approval and issuance of this Special Use Permit extension, b) City's approval or issuance of any other permit or action, whether discretionary or non discretionary, in connection with the use contemplated herein, and without limitation, any and all liabilities arising from the operation of the facility. Applicant shall acknowledge their agreement to this provision by executing a copy of this Special Use Permit where indicated below. The applicant's compliance with this provision is an express condition of this permit and this provision shall be binding on any and all of the applicant's successors and assigns.

EXECUTION AND RECORDATION OF RESOLUTION OF APPROVAL

The property owner and the applicant shall execute this document by signing the lines provided below, said execution indicating that the property owner and applicant have each read, understood, and agreed to the conditions contained herein. Upon execution, this document shall be recorded with the County Recorder's Office of the County of San Diego, and a signed, stamped copy returned to the Community Development Department. Failure to return a signed and stamped copy of this recorded document within ten days of recordation to the Community Development Department shall indicate the property owner/applicant's desire that the Project, and the corresponding application for building permits and/or a business license, be held in abeyance without approval. Said document shall also be on file in the Community Development Department's files.

Signature of Property Owner/Applicant.

Date

Signature of Property Owner/Applicant

Date

CONSEQUENCES OF FAILURE OF CONDITIONS

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If any of the forgoing conditions fail to occur, or if they are, by their terms to be implemented and maintained over time, and any of such conditions fail to be so implemented and maintained according to their terms, the Chula Vista Redevelopment Corporation shall have the right to revoke or modify all approvals herein granted; deny or further condition issuance of future building permits; deny, revoke, or further condition all certificates of occupancy issued under the authority of approvals herein granted; institute and prosecute, litigate, or compel their compliance; or seek damages for their violations. Applicant or successor in interest gains no vested rights by the Chula Vista Redevelopment Corporation approval of this Resolution.

INVALIDITY; AUTOMATIC REVOCATION

It is the intention of the Chula Vista Redevelopment Corporation that its adoption of this Resolution is dependent upon the enforceability of each and every term, provision, and condition herein stated; and that in the event that any one or more terms, provisions, or conditions are determined by a Court of competent jurisdiction to be invalid, illegal, or unenforceable, this resolution and the permit shall be deemed to be automatically revoked and of no further force and effect ab initio.

PRESENTED BY

APPROVED AS TO FORM BY

Ann Hix
Interim Director of Community Development

Ann Moore
General Counsel

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